

**SOUTHWESTERN MICHIGAN
COMMUNITY AMBULANCE SERVICE**

NILES, MICHIGAN

FINANCIAL STATEMENTS

Year ended June 30, 2005

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village <input checked="" type="checkbox"/> Other		Local Government Name Southwestern Michigan Community Ambulance	County Berrien
Audit Date 6/30/05	Opinion Date 7/29/05	Date Accountant Report Submitted to State: 2/22/06	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- | | |
|---|---|
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit. |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241). |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95). |

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			✓
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) Scarpone & Co., P.C.			
Street Address 20 N. Second St., P.O. Box 1146		City Niles	State MI
Accountant Signature <i>James T. Scarpone, CPA</i>		ZIP 49120	Date 2/22/06

SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE

NILES, MICHIGAN

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FINANCIAL STATEMENTS

Year ended June 30, 2005

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SCARPONE & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

July 29, 2005

**Members of the Board of Trustees
Southwestern Michigan Community Ambulance Service
Niles, Michigan 49120**

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying basic financial statements of Southwestern Michigan Community Ambulance Service as of and for the year ended June 30, 2005, as listed in the foregoing table of contents. These basic financial statements are the responsibility of the management of Southwestern Michigan Community Ambulance Service. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards", issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Southwestern Michigan Community Ambulance Service as of June 30, 2005 and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and the required supplemental information identified in the table of contents are not a required part of the basic financial statements but is supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of other supplemental information, as listed in the foregoing table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements of Southwestern Michigan Community Ambulance Service. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Scarfone & Co., P. C.

SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE

MANAGEMENT'S DISCUSSION AND ANALYSIS

Year ended June 30, 2005

Southwestern Michigan Community Ambulance Service ("SMCAS"), a State of Michigan Licensed Advanced Life Support Ambulance Agency, presents its financial statements according to the provisions of Governmental Accounting Standards Board Statement 34 (GASB 34). Management's Discussion and Analysis, a requirement of GASB 34, is intended to be the SMCAS Management's discussion and analysis of the financial results for the year ended June 30, 2005.

SMCAS is a municipally owned and operated advanced life support service. SMCAS is owned by the Townships of Bertrand, Buchanan, Niles and Howard, and by the Cities of Buchanan and Niles. These municipalities have jointly formed a special assessment district. Each year, the boards of these municipalities meet to establish the special assessment to be levied for the upcoming year. In addition, a renewal ballot question is brought before the voters every four years. For the fiscal year ending June 30, 2005, the assessment rate was \$10.00 per dwelling, and the contract rate was \$20.00 per dwelling. In August, 2000, and again in August, 2004, the voters approved a ballot request that allows the municipalities to assess up to \$20.00 per dwelling.

A five year history of the assessment rate and total amount assessed for the fiscal years ended June 30 are as follows:

	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Rate	\$ 10	\$ 10	\$ 10	7	7
Assessment revenues	\$ 192,122	\$ 191,488	\$ 188,030	\$ 130,883	\$ 130,168

The SMCAS service area is approximately 204 square miles and includes the aforementioned municipalities. In addition, SMCAS services Milton Township and a portion of Pokagon Township, both on a contract rate that is twice the yearly assessment rate.

SMCAS currently owns four advanced life support ambulances and a paramedic first responder vehicle. Two transport ambulances are fully staffed twenty-four hours a day, and the first responder vehicle is staffed by management during normal business hours.

Emergency calls for service for the years ended June 30, 2005 and 2004 were 3,624 and 3,347, respectively. The approximately 8.0 percent increase in emergency run volume is slightly above the previous 5.0 percent increase noted for the fiscal year 2003-2004. Ambulance transfers for the years ended June 30, 2005 and 2004 were 718 and 584, respectively. The approximately 23.0 percent increase in transfer runs is due to the procurement of a non-emergency transfer contract with the Lakeland Regional Health System.

SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONCLUDED

Year ended June 30, 2005

The total investment in capital assets at June 30, 2005 was \$1,344,329. There were no outstanding long-term debt obligations with respect to these assets at June 30, 2005.

SMCAS prepares an annual budget that is approved by the Board of Trustees. The budget may be amended at various times throughout the year pending board approval.

Change from Original to Final Budget

Total Net Operating Revenues, Original Budget	\$ 1,406,100	100.0
Total Net Operating Revenues, Final Budget	1,410,100	100.3
Increase in Budgeted Revenues	\$ 4,000	0.3
Total Operating Expenditures, Original Budget	\$ 1,400,800	100.0
Total Operating Expenditures, Final Budget	1,405,350	100.3
Decrease in Budgeted Expenditures	\$ 4,550	0.3

Results from Operations

The actual net revenues for the year ended June 30, 2005 were higher from the final budget by \$14,772, a variance of 1.0 percent from the final budget. The largest variance is an increase in charges for services over the budgeted amount.

The actual expenditures for the year ended June 30, 2005 were more than the final budget by \$8,586, a variance of 0.6 percent from the final budget. As indicated above, there were no significant expenditure changes from the original budget to the final budget.

Contacting the Financial Management of SMCAS

These financial statements are designed to provide a general overview of the finances of Southwestern Michigan Community Ambulance Service as of and for the year ended June 30, 2005. If you have any questions about this report or need additional information contact the Executive Director of Southwestern Michigan Community Ambulance Service.

SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE

STATEMENT OF NET ASSETS

June 30, 2005

ASSETS

Current Assets:

Cash and cash equivalents	\$ 438,972
Investments	600,474
Accounts receivable, net of allowance for uncollectible accounts of \$150,000	341,780
Intergovernmental receivables	13,970
Prepaid expenses	23,000
Total current assets	1,418,196

Capital assets	2,065,590
Less, accumulated depreciation	721,261
	1,344,329

TOTAL ASSETS \$ **2,762,525**

LIABILITIES

Current Liabilities:

Accounts payable	\$ 17,036
Accrued payroll and vacation pay	78,470
Payroll withholdings	269
Deferred revenues	22,620
Total current liabilities	118,395

NET ASSETS

Investment in capital assets	1,344,329
Restricted for capital projects	540,339
Unrestricted	759,462

TOTAL NET ASSETS **2,644,130**

TOTAL LIABILITIES AND NET ASSETS \$ **2,762,525**

See accompanying notes to basic financial statements.

SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

Year ended June 30, 2005

	<u>Amount</u>	<u>Percent to Net Revenues</u>
OPERATING REVENUES:		
Charges for services	\$ 2,053,849	144.1
Membership fees	47,560	3.3
Recovery on accounts previously written off	18,453	1.3
Special assessment tax revenue	192,122	13.5
Municipal contract revenues	28,640	2.0
Other revenues	21,987	1.6
	2,362,611	165.8
ADJUSTMENTS TO REVENUES:		
Medicare	421,812	29.6
Medicaid	216,314	15.2
Blue Cross/Blue Shield	33,411	2.3
Uncollectible accounts	239,939	16.8
Membership adjustments	12,945	0.9
Other adjustments	13,318	1.0
	937,739	65.8
NET OPERATING REVENUES	1,424,872	100.0
OPERATING EXPENSES:	1,413,936	99.2
INCOME FROM OPERATIONS	10,936	0.8
NON-OPERATING REVENUES:		
Interest income	13,103	0.9
CHANGE IN NET ASSETS	24,039	1.7
Net assets, beginning of year	2,620,091	
NET ASSETS, END OF YEAR	\$ 2,644,130	

See accompanying notes to basic financial statements.

SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE

STATEMENT OF CASH FLOWS

Year ended June 30, 2005

CASH FLOWS FROM OPERATING ACTIVITIES:

Cash received for services	\$ 1,169,681
Cash payments for goods and services	(506,456)
Cash payments for employees	(705,762)
Receipt of membership fees	45,560
Receipt of special assessment taxes	188,002
Receipt of contractual fees	28,640
Receipt of accounts previously written off	18,453
Receipt of other revenues	21,685
	<u>259,803</u>

CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:

Payment for capital assets	(53,181)
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CASH FLOWS FROM INVESTING ACTIVITIES:

Receipt of interest income	12,630
Purchase of investments	(600,001)
	<u>(587,371)</u>

DECREASE IN CASH AND CASH EQUIVALENTS	(380,749)
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Cash and cash equivalents, beginning of year	819,721
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CASH AND CASH EQUIVALENTS, END OF YEAR	\$ <u>438,972</u>
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**RECONCILIATION OF OPERATING INCOME TO CASH FLOWS
FROM OPERATING ACTIVITIES:**

Operating income	\$ 10,936
Adjustments to reconcile:	
Depreciation	194,495
Changes in assets and liabilities:	
Decrease in accounts receivable	53,269
Increase in intergovernmental receivable	(4,120)
Increase in prepaid expenses	(3,340)
Increase in accounts payable	1,286
Increase in accrued payroll and vacation pay	12,216
Decrease in payroll withholdings	(1,339)
Decrease in other liabilities	(1,600)
Decrease in deferred revenues	(2,000)

CASH FLOWS FROM OPERATING ACTIVITIES	\$ <u>259,803</u>
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See accompanying notes to basic financial statements.

SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE

NOTES TO FINANCIAL STATEMENTS

Year ended June 30, 2005

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of the Southwestern Michigan Community Ambulance Service (SMCAS) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by SMCAS are described below:

Reporting Entity

Southwestern Michigan Community Ambulance Service was formed as a corporation in 1975 under the provisions of Michigan Public Acts pertaining to intergovernmental contracts between municipal corporations, for the purpose of providing ambulance services. The municipalities included in the corporation are the City of Niles, the City of Buchanan, Niles Township, Buchanan Township, Bertrand Township and Howard Township.

Measurement Focus and Basis of Accounting and Financial Statement Presentation

The term "measurement focus" is used to denote what is being measured and reported in the SMCAS operating statement. SMCAS is accounted for on the flow of economic resources measurement focus. The fundamental objective of this focus is to measure whether SMCAS is better or worse off economically as a result of events and transactions of the period.

The term "basis of accounting" is used to determine when a transaction or event is recognized on the operating statement of SMCAS. SMCAS uses the full accrual basis of accounting. Under this basis, revenues are recorded when earned and expenses are incurred, even though actual payment or receipt may not occur until after the period ends.

SMCAS follows all pronouncements of the Governmental Accounting Standards Board.

Effective July 1, 2003, SMCAS adopted the provisions of Governmental Accounting Standards Board Statement No. 34 "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments." Statement 34 established standards for external financial reporting for all state and local governmental entities and includes a statement of net assets, a statement of revenues, expenses and changes in net assets, and a statement of cash flows. It requires the classification of net assets into three components: investment in capital assets, net of any related debt; restricted; and unrestricted. These classifications are defined as follows:

Investment in capital assets, net of any related debt - This component of net assets consists of capital assets, including any restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances, if any, of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year ended June 30, 2005

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED:

Restricted - This component of net assets consists of constraints placed on net asset use by management for specified uses such as capital projects, or through external constraints imposed through creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted - This component of net assets consists of net assets that do not meet the definition of "investment in capital assets, net of related debt" or "restricted."

Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents are combined on the statement of net assets. Cash deposits consist of an interest bearing checking account with a financial institution and is carried at cost. Cash equivalents consist solely of a money market account and is carried at fair market value. For purposes of the statement of cash flows, all cash deposits and highly liquid investments with an original maturity of three months or less when acquired are considered to be cash equivalents.

Intergovernmental Receivables

Intergovernmental receivables consist of tax assessments levied upon properties within the Organization's service area.

Prepaid Expenses

Payments to vendors that will benefit periods beyond the end of the current fiscal year are recorded as "prepaid expenses."

Revenues and Expenses

Revenues and expenses are distinguished between operating and nonoperating items. Operating revenues result from providing ambulance services to the public.

Operating expenses include all costs associated with providing services, including administrative expenses and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year ended June 30, 2005

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONCLUDED:

Taxes

SMCAS is exempt from all federal and state income taxes.

Deferred Revenues

Deferred revenues at June 30, 2005 represent the portion of 2005 annual membership fees that are attributable to the six month period subsequent to June 30, 2005.

Capital Assets

Capital assets are defined by SMCAS as assets with an estimated useful life in excess of one year.

Capital assets of SMCAS are recorded at cost. Donated assets are valued at their estimated fair market value on the date donated. Depreciation of capital assets is charged as an operating expense. Depreciation is computed using straight-line methods over their estimated useful lives as follows:

	<u>Years</u>
Buildings and improvements	7 - 30
Equipment	3 - 7
Vehicles	3 - 5

Major additions and betterments are capitalized, while expenditures for maintenance and repairs that do not add value to the asset or materially extend asset lives are charged to operations as incurred.

NOTE B - CASH AND CASH EQUIVALENTS:

Cash and cash equivalents consisted of the following at June 30, 2005:

Petty cash	\$	50
Deposits in financial institutions		438,922
	\$	438,972

The above deposits in financial institutions of \$438,922 at June 30, 2005 were reflected in the accounts of the Organization's financial institutions (without recognition of checks written but not cleared, or of deposits in transit) at \$424,804. Of this amount, approximately \$200,000 was covered by federal depository insurance, and \$224,804 was uninsured and uncollateralized.

SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year ended June 30, 2005

NOTE C - INVESTMENTS:

Investments at June 30, 2005 consisted of \$609,000 of United States Treasury Bills which are reported at their fair market value of \$600,474, with maturity at December 8, 2005.

NOTE D - CONCENTRATIONS OF CREDIT RISK:

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash investments with financial institutions and accounts receivable. The Organization attempts to limit the amount of credit exposure to any one financial institution with respect to cash and cash investments (see Note B). Concentrations of credit risk with respect to accounts receivable are limited due to the nature of the Organization's business. Accordingly, management of the Organization believes it has no significant concentrations of credit risk as of June 30, 2005.

NOTE E - CAPITAL ASSETS:

Capital asset activity for the year ended June 30, 2005 is as follows:

	Balance June 30, 2004	<u>Additions</u>	<u>Deletions</u>	Balance June 30, 2005
Assets not being depreciated:				
Land	\$ 8,195	\$ -	\$ -	\$ 8,195
Capital assets being depreciated:				
Buildings and improvements	1,219,167	-	-	1,219,167
Medical equipment	156,297	28,907	861	184,343
Vehicles	481,191	-	-	481,191
Office and other equipment	169,735	24,274	21,315	172,694
	2,026,390	53,181	22,176	2,057,395
Accumulated depreciation:				
Buildings and improvements	210,426	51,640	-	262,066
Medical equipment	55,609	33,706	861	88,454
Vehicles	189,308	81,269	-	270,577
Office and other equipment	93,599	27,880	21,315	100,164
	548,942	194,495	22,176	721,261
Net capital assets being depreciated	1,477,448	(141,314)	-	1,336,134
Net capital assets	\$ 1,485,643	\$ (141,314)	\$ -	\$ 1,344,329

SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE

NOTES TO FINANCIAL STATEMENTS - CONCLUDED

Year ended June 30, 2005

NOTE F - RESTRICTED NET ASSETS:

Restricted net assets represents cash and assessments receivable related to the annual tax assessments levied upon properties within the Organization's service area. Such funds are to be used exclusively for capital expenditures and related asset maintenance. Restricted net assets at June 30, 2005 was \$540,339.

NOTE G - DEFINED CONTRIBUTION PLANS:

The Organization participates in a 401(a) retirement plan covering substantially all employees. Under the plan, the Organization contributes an amount equal to 5% of an eligible employee's gross salary, excluding bonuses. In addition, the Organization matches employee contributions up to 5% of the employee's gross salary, excluding bonuses. The Organization's expense for the year ended June 30, 2005 in connection with the plan amounted to \$61,450.

NOTE H - RISK MANAGEMENT:

The Organization maintains commercial insurance to cover any unanticipated significant losses. Management of the Organization reviews its insurance coverage on a periodic basis, and makes any changes to such coverage as necessary. There have been no significant changes in insurance coverage during the year ended June 30, 2005.

REQUIRED SUPPLEMENTAL INFORMATION

SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE

**REQUIRED SUPPLEMENTAL INFORMATION
BUDGETARY COMPARISON SCHEDULE**

Year ended June 30, 2005

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
OPERATING REVENUES:				
Charges for services	\$ 1,838,500	\$ 1,990,000	\$ 2,053,849	\$ 63,849
Membership fees	51,000	49,000	47,560	(1,440)
Recovery on accounts previously written off	19,000	18,500	18,453	(47)
Special assessment tax revenue	185,000	190,000	192,122	2,122
Municipal contract revenues	27,800	27,800	28,640	840
Other revenues	13,300	20,300	21,987	1,687
	2,134,600	2,295,600	2,362,611	67,011
ADJUSTMENTS TO REVENUES:				
Medicare	400,000	400,000	421,812	(21,812)
Medicaid	165,000	210,000	216,314	(6,314)
Blue Cross/Blue Shield	10,000	35,000	33,411	1,589
Uncollectible accounts	140,000	215,000	239,939	(24,939)
Membership adjustments	11,500	13,000	12,945	55
Other adjustments	2,000	12,500	13,318	(818)
	728,500	885,500	937,739	(52,239)
NET OPERATING REVENUES	1,406,100	1,410,100	1,424,872	14,772
OPERATING EXPENDITURES	1,400,800	1,405,350	1,413,936	(8,586)
INCOME FROM OPERATIONS	5,300	4,750	10,936	6,186
NON-OPERATING REVENUES:				
Interest income	3,200	8,300	13,103	4,803
CHANGE IN NET ASSETS	8,500	13,050	24,039	10,989
Net assets, beginning of year	2,620,091	2,620,091	2,620,091	-
NET ASSETS, END OF YEAR	\$ 2,628,591	\$ 2,633,141	\$ 2,644,130	\$ 10,989

OTHER SUPPLEMENTAL INFORMATION

SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL

Year ended June 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
WAGES AND BENEFITS:			
Salaries and wages	\$ 726,200	\$ 738,900	\$ 718,001
Payroll taxes	56,500	56,500	53,208
Employee health insurance	105,000	110,000	112,570
Retirement	70,000	66,000	61,450
Disability insurance	7,000	6,000	6,109
401(a)/457 plan fees	500	500	750
Workers' compensation insurance	33,000	28,200	26,436
Education expenses	12,600	13,900	12,506
Uniforms	13,000	12,000	10,873
Employee recognition	-	3,000	1,441
Dental and medical reimbursement	6,500	4,500	4,553
	1,030,300	1,039,500	1,007,897
VEHICLE EXPENSES:			
Gasoline	15,000	22,000	21,941
Vehicle insurance	18,260	15,500	15,473
Other vehicle costs	25,200	23,200	23,921
	58,460	60,700	61,335
BUILDING EXPENSES:			
Utilities	18,000	17,500	17,288
Repair and maintenance	10,600	10,500	12,012
	28,600	28,000	29,300
EMS SUPPLIES:			
EMS supplies	25,000	20,000	18,639
Repair and maintenance	6,000	6,500	8,063
Oxygen	3,000	2,500	2,549
License fees	500	500	375
Cellular phones	9,600	11,000	10,784
Pager rental	1,800	300	305
	45,900	40,800	40,715

SOUTHWESTERN MICHIGAN COMMUNITY AMBULANCE SERVICE
SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL - CONCLUDED

Year ended June 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
DEPRECIATION:			
Building	\$ 48,000	\$ 48,000	\$ 51,640
Medical equipment	15,000	15,000	33,706
Vehicles	72,000	72,000	81,269
Office and other equipment	15,600	15,600	27,880
	<u>150,600</u>	<u>150,600</u>	<u>194,495</u>
ADMINISTRATIVE:			
Office supplies	3,500	3,500	4,153
Postage	6,000	5,300	5,244
Repairs and maintenance	6,200	7,200	5,888
Custodial supplies	2,500	2,500	1,974
Promotion and advertising	3,000	2,500	1,729
Miscellaneous	1,100	1,800	2,786
Travel	2,500	4,000	5,259
Dues and membership fees	1,500	1,500	1,179
Outside services	3,300	3,500	3,159
Subscriptions	1,000	750	402
Telephone	6,000	5,700	6,028
Printing	1,000	-	-
Legal and professional	17,500	11,000	9,991
Medical director fees	3,000	3,000	-
Collection costs	12,000	15,000	15,300
Assessment refunds	1,000	1,000	-
General insurance	15,840	17,500	17,102
	<u>86,940</u>	<u>85,750</u>	<u>80,194</u>
 TOTAL EXPENSES	 \$ 1,400,800	 \$ 1,405,350	 \$ 1,413,936